

Snohomish County
Planning and Development
Services

Assistance Bulletin

Transfer of Development Rights

#69

Keyword: Assistance Bulletins

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Q: What is Transfer of Development Rights?

A: It is the process by which the development potential is removed from one property and transferred to another. The county's TDR program seeks to use market forces to discourage residential development of important natural resource lands, considered "sending" sites, and redirect this development to more suitable lands, typically within urban growth areas, considered "receiving" sites, that are appropriate for more intense residential use.

Q: How does this "transfer" of development rights occur?

A: The transfer occurs between willing sending and receiving area landowners. The two negotiate an acceptable price, with the receiving area landowner paying the sending area landowner for the number of development rights being transferred. The sending area landowner benefits by receiving additional income beyond the income received from traditional natural resource use. The receiving area landowner benefits by being able to develop land at a greater density than would otherwise be allowed.

Q: What are Snohomish County's TDR regulations?

A: The Snohomish County Council adopted countywide TDR regulations that became effective on October 19, 2013. The countywide TDR regulations, located in Chapter 30.35A of Snohomish County Code, require that all county designated farm and forest lands on the Comprehensive Plan Future Land Use Map are designated TDR sending areas. The county council can designate additional sending areas that have significant conservation values. Rural lands can opt into TDR if they meet requirements and are redesignated to farm or forest land.

Development rights are removed from a sending site by a conservation easement that runs with the land and prohibits any subdivision, short subdivision, boundary line adjustment, or construction of any new single family or other primary residence. The landowner would retain fee simple ownership of the property and the right to use the property for any other uses allowed by the underlying resource zone.

TDR credits allow additional development in receiving areas in unincorporated Snohomish County. The amount of additional development allowed varies based on the source of the TDR credit (farm or forest) and the receiving area.

TDR receiving areas include cities, urban centers, rural rezones and areas where comprehensive plan or development code changes increase the allowable number of lots or dwelling units.

Visit us at :

2nd Floor Robert J. Drewel Bldg. 3000 Rockefeller Avenue Everett, WA 98201

> 425-388-3311 1-800-562-4367, ext. 3311



ONLINE INFORMATION www.snohomishcountywa.gov/1190



This Assistance Bulletin only applies to property within unincorporated Snohomish County and does not apply to property within incorporated city limits.

This bulletin is intended only as an information guide. The information may not be complete and is subject to change.

For complete legal information, refer to Snohomish County Code.

The existing Arlington TDR pilot program is continued. Sending area owners eligible for the Arlington pilot program have the option to participate in either the countywide program or the pilot program.

Q: How are TDR credits calculated for a sending site?

A: TDR sending sites must include at least 5 contiguous acres and follow existing lot lines. The number of TDR credits that can be transferred off a site is equal to:

- One credit for each legal, existing, unimproved lot larger than 5,000 square feet; plus
- The number of additional lots that could be created at the minimum lot size on the remaining land; minus
- The number of existing primary dwellings and any existing conservation easements.

Generally, after calculating the number of existing lots larger than 5,000 sq. ft., the remaining land is calculated on the basis of one credit given for every 10 acres of farm land, one credit for every 80 acres of forest land, and one credit for every 200,000 sq. ft. in the R-5 zone.

Q: Describe the process after a TDR Certification of Development Rights application is submitted by a sending area landowner?

A: First, it is strongly recommended that the sending area landowner make an appointment with PDS staff prior to completing an application so that the TDR requirements and procedures can be fully explained. There is no fee for a TDR pre-application appointment.

When a TDR Certification of Development Rights application is submitted along with the \$600 application fee, PDS will review the application for completeness. When complete, PDS will confirm the calculation of the number of development rights that are eligible to be transferred from the sending site. A TDR letter of intent that documents this number and agrees to the issuance of a corresponding number of TDR certificates in exchange for a sending site conservation easement will be issued to the applicant.

The county has 30 days from the date a TDR conservation easement is submitted by the sending area land-owner, along with an inspection fee, to conduct a review of the sending site file and perform a site inspection. Upon completion of the site inspection and the determination that the conditions on the sending site are consistent with the submitted information, PDS will approve and record the conservation easement and issue serially numbered TDR certificates to the sending site owner.

Q: How are TDR certificates used in receiving areas?

A: TDR certificates allow additional development in receiving areas in unincorporated Snohomish County. The amount of additional development allowed varies based on the source of the TDR certificate (designated farm or forest lands) and the type of receiving area.

Designated unincorporated county TDR receiving areas are 1) urban centers; 2) comprehensive plan amendments where amendments to the comprehensive plan increase the maximum number of lots or dwellings; 3) rural rezones that increase the maximum number of lots or dwellings; and 4) all development code amendments and county-initiated rezones that increase the maximum number or lots or dwellings. Site-specific rezones in urban areas approved by the hearing examiner do not create TDR receiving areas.

The amount of development allowed in unincorporated county TDR receiving areas for each TDR farmland certificate applied to a receiving site development permit or activity shall not exceed:

- a. 10,000 sq. ft. of floor area in an urban center.
- b. Eight units in a multiple residential development with a density of 12 or more units per acre.
- c. Six units in a multiple residential development with a density of less than 12 units per acre.
- d. Four units in a single family residential development inside an Urban Growth Area.

The amount of development allowed in unincorporated county TDR receiving areas for each TDR credit from land use designations that are not currently designated farmland such as forest lands shall not exceed:

- a. 5,000 square feet of floor area in an urban center.
- b. Four units in a multiple residential development with a density of 12 or more units per acre.
- c. Three units in a multiple residential development with a density of less than 12 units per acre.
- d. Two units in a single family residential development that is inside an Urban Growth Area.

TDR certificates are considered applied to a receiving area site when a final decision has been made approving the receiving site development permit or activity for which the TDR certificates are provided. The TDR certificates that have been applied to a receiving area site are considered void by the county and cannot be reused for another receiving site. The TDR certificate owner provides the county, or the city if the receiving site is located within its jurisdiction, a TDR extinguishment document on a form provided by the county that includes the serial number of each TDR certificate that will be voided.

Q: Is there a document that provides greater detail on the countywide TDR process?

A: Yes. Snohomish County Code Chapter <u>30.35A</u> contains the countywide TDR sending and receiving area requirements and can be accessed on the county's website. Visit <u>www.snohomishcountywa.gov</u>. and under "Your Government" select "*County Code*" and once the county code page is opened, type "30.35A" in the search code box.

Q: How would a sending area landowner obtain more information or apply to the countywide TDR program?

A: Contact Steve Skorney, Senior Planner, at (425) 388-3311, ext. 2207 or by e-mail: steve.skorney@snoco.org.



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HOW TDR CERTIFICATES ARE CREATED

 Sending Site Eligibility. Designated farm and forest lands, Including opt-in re-designated rural lands, meeting minimum Acreage and other requirements.



 Site Credit Calculations. Determine number of certified development rights based on code requirements, including number of existing lots, acreage/zoning, and existing primary dwellings.



 Application. Sending site owner submits TDR application to PDS including sending site calculations, other required property information, and application fee.



 Certification. PDS reviews application, verifies number of eligible development rights and issues a TDR certificate letter of intent.



 Easement Required. Sending site owner submits conservation easement and fees. PDS reviews, approves, and records easement following site inspection.



 Certificates Issued. PDS issues TDR certificates in exchange for the recording of the conservation easement.



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HOW TDR CERTIFICATES ARE TRANSFERRED

1. <u>Sale Agreement</u>. Purchaser agrees to buy TDR certificates from sending site owner.



2. <u>County Approval of Deed.</u> The parties submit a deed of transferable development rights to PDS, based on a form provided by the county, with fees, for review and approval.



3. Recording and Transfer. Seller and purchaser record the deed and a notice on title of the sending site indicating a transfer of development rights has occurred.



4. <u>Later Transfers - Repeat</u>. TDR certificates may be transferred from purchaser to purchaser. Each time TDR certificates are conveyed, PDS reviews the deed, and the parties record the deed with the county auditor.



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HOW TDR CERTIFICATES ARE USED

1. <u>Project Proposed in Receiving Areas.</u> TDR certificate owner applies for site development permit for a project within a designated TDR receiving area, either within the county or a city.



2. Exchange Rates. TDR exchange rates are established in county and city codes. Increased maximum residential density and potentially other benefits can be achieved on receiving sites where TDR certificates are applied.



3. <u>Certificates Applied.</u> TDR certificates are considered applied to a receiving site when there is final approval of the receiving site development activity for which the certificates are used.



4. <u>Extinguishment.</u> Applicant provides TDR extinguishment document to approval jurisdiction (city or county), listing the serial number of each TDR certificate to be voided and the legal description of the receiving site.